

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Minor Ports and Jetties – Permission to M/s ANRAK Aluminum Limited, Hyderabad for construction of Captive Jetty at Nakkapally, Visakhapatnam District – Orders – Issued.

INFRASTRUCTURE AND INVESTMENT (Ports-I) DEPARTMENT

G.O.Ms.No.11

Date: 07-09-2010
Read the following:-

1. From M/s ANRAK Aluminum Limited, Hyderabad, Lr.No.AAL/VPT/1/2009-10, Dt.04-01-2010.
2. From the Director of Ports (FAC), Kakinada, Lr.No.SE/D2/Anark/2010, Dt.19-05-2010.
3. From the Director of Ports (FAC), Kakinada, Lr.No.SE/D2/Anark/2010, Dt.4-06-2010.
4. From M/s ANRAK Aluminum Limited, Hyderabad, Lr.No.AAL/IID/2010-11, Dt.14-07-2010
5. G.O.Ms.No.9, I&I (Ports.I) Dept., Dt.07-08-2010.

ORDER:

M/s ANRAK Aluminum Limited, Hyderabad informed that they are setting up an Integrated Aluminum Complex based on State of the Art Technology at Rachapalli Village, Makavaripalem Mandal, Visakhapatnam District of Andhra Pradesh. The Integrated Aluminum plant would comprise of Alumina Refinery, Alumina Smelter and 400 MW Coal Based Power Plant.

2. The total capital cost of the project is estimated to be around Rs.14,000 crores with 9500 being invested in Phase-I. The construction of the Project has commenced in the year 2009 and expected to be completed in mid of 2011. The company has already spent Rs.800 crores on the project and also completed financial closures.

3. The Company propose to set up the captive jetty facility on East Cost near Rajayyapeta in Nakkapally Mandal, Visakhapatnam District and requested the Government for allotment of Captive Berth facility at Visakhapatnam District for exporting the Aluminum (1.5 MTPA) and importing Coal (2.0 MTPA) and 0.5 MTPA of Caustic Soda and Lime and also stated that around 5 Million Tons of Export / Import Cargo will be handled including future expansion.

4. The firm further informed that the Project can neither be competitive nor viable if they were not allotted the captive facility which included silos for Alumina storage, Tankages for Caustic Soda and Lime and the automatic Alumina handling system.

5. The firm intends to construct 2 Nos berths initially, Berth No.1 to handle Alumina, Caustic Soda and Lime etc. and Berth No.2 General dry bulk cargo like thermal coal etc. In addition to the above the captive jetty consists of two Breakwaters, dredging the channel and turning circle upto (-) 14 M. and the depth in front of the berth is (-) 12 M. Navigation aids, firefighting equipment and other ancillary facilities etc. for handling Aluminum, Caustic Soda, Lime and Thermal Coal etc. The company further stated that the estimated cost of the project for the construction of captive jetty is Rs.479.00 crores and the proposed Phase-1 is planned to be completed in 24 months.

6. The M/s ANRAK Aluminum Limited have therefore requested the Government for according in principle permission for construction of a captive jetty at Nakkapally in Visakhapatnam District to handle Aluminum, Caustic Soda and Lime etc.

7. In the circumstances stated by M/s ANRAK Aluminum Limited in their report and the recommendations of the Director of Ports, Government have declared Nakkapalli as Minor Port vide official Gazette Notification No. 8(1), Dated.16-08-2010 for establishing / constructing a captive jetty under Indian Ports, Act, 1908 along with port limits in G.O. 5th read above.

8. Government, after careful examination of the matter, hereby accord in principle permission for construction of a captive jetty at Nakkapally in Visakhapatnam District to the SPV promoted by M/s ANRAK Aluminum Limited (who shall hold atleast 51% of Equity in such SPV) subject to the following conditions.

- i) The Captive Jetty shall only be used for handling of cargo meant for M/s ANRAK Aluminum Limited and no other cargo handling shall be permitted.
- ii) The firm shall obtain requisite permissions from the concerned authorities.
- iii) The firm shall acquire required land for the project.
- iv) The conservancy of the port should vest with Port Officer, Kakinada.
- v) The firm has to pay the revenue to the Government in terms of landing and shipping charges as fixed by Government from time to time and all necessary statutory port charges for the cargo handling will be collected by Port Officer, Kakinada.
- vi) Payment of all statutory levis and duties as applicable and notified by the State and Central Governments.
- vii) Compliance of all State and Central Rules Regulations.
- viii) The firm shall undertake the rehabilitation packages if any at its cost and the firm shall also give an undertaking that if any livelihood of the fishermen is affected in implementation of the project, the same shall be done by the firm at its cost.

9. M/s ANRAK Aluminum Limited 'or' SPV formed by it for construction of Captive Jetty shall enter into an agreement with Government of Andhra Pradesh on the various terms and conditions.

10. The Director of Ports, Kakinada shall take necessary action accordingly.

11. This order issues with the concurrence of Finance (Expr. PW) Department vide their U.O.No.22512/613/Expr.PW/A2/10, Dated 02-09-2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY MISHRA
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director, M/s ANRAK Aluminum Limited, Hyderabad

The Director of Ports, Kakinada.

The Port Officer, Visakhapatnam.

Copy to:

The Secretary, Government of India, Ministry of Shipping, New Delhi.

The Principal Accountant General (Audit), A.P. Hyderabad.

The Director of Treasuries and Accounts, A.P. Hyderabad.

The General Administration (Cabinet) Department.

The Finance (Expr.PW) Department.

SF/SC

// FORWARDED :: BY ORDER //

SECTION OFFICER